

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0977-02  
Bill No.: HB 481  
Subject: Abortion; Appropriations; Children and Minors; Health Care; Health Care Professionals; Medical Procedures and Personnel; Physicians; Science and Technology  
Type: Original  
Date: March 5, 2003

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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### **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Office of State Courts Administrator**, the **Office of Prosecution Services**, and the **State Public Defender** assume this proposal would not fiscally impact their agencies.

Officials from the **Department of Social Services - Division of Medical Services (DMS)** state that this proposal prohibits public funds to be expended, paid, or granted to or on behalf of an existing or proposed health and social services program to directly or indirectly subsidized abortion services. DMS states as referenced in paragraph 3(1), the DMS is exempt from this legislation required by the federal Social Security Act. The DMS assumes that this provision also applies to the federal funding received for the SCHIP population. Therefore, DMS assumes there is not fiscal impact.

Officials from the **University of Missouri** state that they are unable to determine the fiscal impact of this proposal as it is currently written.

Officials from the **Attorney General's Office (AGO)** state they cannot predict the number of lawsuits filed pursuant to 33.900.6 which grants the right to sue to any taxpayer of the state.

Therefore, AGO assumes the fiscal impact is unknown.

ASSUMPTION (continued)

**Oversight** assumes state agencies would comply with the provisions of this proposal.

Officials from the **State Auditor's Office (SAO)** state that the SAO currently audits counties on a four year cycle. SAO states it would appear that this proposal would require additional time and staff for the SAO to be in compliance with this proposal. The SAO states a one-half FTE Senior Auditor would be required.

**Oversight** assumes audits required by this proposal could be absorbed by the SAO.

Officials from the **Department of Health and Senior Services (DOH)** state the DOH does not provide funds to entities that directly or indirectly subsidize abortion services. The DOH states any contract of DOH whose contractor has an existing or proposed health and social services program would have the legislative language incorporated into the contractual provisions.

The DOH states if Section 33.900.2(6) applies to all contracts paid with public funds, the DOH would select the option to approve the independent auditing firm with the contractor being responsible for the cost of the independent audit, as provided for in said subsection.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

A small business who receives public funds might be required to pay for the independent audit depending on the services they provide.

## DESCRIPTION

This proposal prohibits the expenditure of public funds to existing or proposed health and social services programs that directly or indirectly subsidize abortion services. An entity that is affiliated with another entity that provides abortion services may only receive public funds if the affiliated entity is an independent affiliate. Entities that provide counseling to pregnant women and receive public funds may only provide non-directive pregnancy counseling and may not display or distribute materials promoting abortion services.

The proposal requires entities that receive public funds to maintain records that demonstrate strict compliance with this section. An independent audit of these entities must be conducted at least once every three years. If the recipient of public funds is affiliated with an entity that provides abortion services, an audit must be conducted each year to ensure compliance. The proposal includes exceptions for reimbursement to entities that provide services that are required under federal Medicaid regulations and certain services required under the federal family planning program.

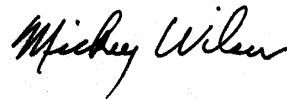
The proposal also prohibits public funds from being expended on existing or proposed research projects that involve abortion services, human cloning, or prohibited human research.

The proposal gives taxpayers of the state standing to bring suit against the state or a recipient of public funds in violation of the provisions of the proposal.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services  
Department of Social Services  
University of Missouri  
State Auditor's Office  
Office of State Courts Administrator  
Attorney General Office  
State Public Defender  
Office of Prosecution Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

MICKEY WILSON, CPA  
DIRECTOR  
MARCH 5, 2003